

Statement for the Record
of the
National Network for Youth
on
FY 2007 Labor-HHS-Education-Related Agencies Appropriations
before the
Subcommittee on Labor-Health and Human Services-Education-Related Agencies
Committee on Appropriations
U.S. House of Representatives

Witness Name: Anita Friedman
Witness Title: DC Managing Director
Institutional Affiliation: Latin American Youth Center
Witness City/State: Washington, District of Columbia
Representing: National Network for Youth
Hearing Date and Time: March 30, 2006, 10:00 am

Testimony Summary:

- Appropriate \$140 million in FY 2007 for Runaway and Homeless Youth Act (RHYA) programs administered by the Administration for Children and Families within the U.S. Department of Health and Human Services.
- At least \$120 million should be appropriated for the consolidated runaway and homeless youth account and at least \$20 million should be appropriated for the runaway prevention account.
- Oppose a proposal in the President's FY 2007 budget request to allocate a share of RHYA Transitional Living Program (TLP) funds to vouchers for maternity group home services.
- Include bill or report language in the FY 2007 Labor-Health and Human Services-Education appropriations measure explicitly prohibiting HHS from implementing TLP vouchers for any homeless youth population.

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Introduction

The National Network for Youth appreciates the opportunity to submit recommendations on FY 2007 appropriations for Runaway and Homeless Youth Act programs of the U.S. Department of Health and Human Services.

The National Network for Youth, founded in 1974, is a national nonprofit membership and advocacy organization that provides education, networking, training, materials and policy work with federal, states and local lawmakers. The mission of the National Network for Youth is to champion the needs of runaway, homeless, and other disconnected youth through advocacy, innovation and services – one community at a time.

The National Network for Youth is committed to ensuring that opportunities for growth and development be made available to youth who face greater odds due to abuse, neglect, exploitation, homelessness, lack of resources, community prejudice, differing abilities, barriers to learning, and other life challenges.

National Network for Youth members are located throughout the United States and its territories. Our members include community-based, faith-based, and public organizations as well as youth, adults, and regional and state networks of youth workers and youth-serving organizations. Our members provide street-based interventions, emergency shelter, transitional and independent living programs, permanent housing, counseling, health, education, workforce development, arts, and recreation services to over 2.5 million youth annually.

FY 2007 Appropriations for Runaway and Homeless Youth Act Programs

Runaway and Homeless Youth Act (RHYA) programs have the purposes of preventing victimization and ensuring basic safety of homeless children and youth and ensuring youths' access to family reunification, housing, education, employment training, health care, and other social services.

The **RHYA Basic Center Program** provides grants to faith- and community-based organizations (FCBOs) to support family strengthening efforts, including counseling, home-based services for families with children at risk of separation from the family, and emergency and respite shelter (no greater than 15 days) for youth under the age of 18. The average age of

children entering a basic center is 15 years. In FY 2005 342 BCP grantees supported 55,067 children and youth at an average cost of \$80 in federal funds per young person.

The RHYA **Transitional Living Program** provides grants to FCBOs to support longer-term residential services (up to 18 months) and life skill supports to youth ages 16-21 who are unable to return home safely. TLPs assist youth in successfully transitioning into responsible adulthood and self-sufficiency and connecting them to education, workforce, and other supports. The average age of youth entering a transitional living project is 18 years, eight months. In FY 2005 194 TLP grantees supported 3,048 youth at an average cost of \$11,877 in federal funds per youth. This program includes maternity group homes, which are residential arrangements for pregnant and parenting youth who are fleeing from abusive homes. Maternity group homes assist these youth in accessing housing, prenatal care, parenting classes, child care, and educational services.

The RHYA **Street Outreach Program** provides grants to FCBOs to support street-based outreach and education to homeless children and youth who have been sexually abused or who are at risk of commercial sexual exploitation. In FY 2005 139 SOP grantees made 515,000 (duplicated) encounters at an average cost of \$28 in federal funds per contact.

The Runaway and Homeless Youth Act also authorizes funds for the National Runaway Switchboard, a national communications system for runaway youth and their families; regional training and technical assistance for grantees; an information clearinghouse; a management information system; research and evaluation; and peer monitoring of grantees.

We urge Congress to appropriate \$140 million in FY 2007 for Runaway and Homeless Youth Act (RHYA) programs. At least \$120 million should be appropriated for the consolidated runaway and homeless youth account and at least \$20 million should be appropriated for the runaway prevention account.

We base our request for increased funding for RHYA programs on the following community needs and program performance outcomes:

RHYA Projects are Facing Overwhelming Unmet Need. The basic housing needs of our nation's most vulnerable youth – those experiencing homelessness – are not being met. HHS reported in FY 2005 that 2,064 youth were turned away from RHYA basic centers and 2,555 youth were turned away from RHYA transitional living projects due to lack of capacity to house them. This equates to a capacity shortfall of at least 11 basic centers and at least 15 transitional living projects. **Simply put, many communities need additional residential units for runaway and homeless youth.**

RHYA Funding is Declining. Despite the overwhelming unmet need for housing among unaccompanied young people, **Congress has reduced funding for RHYA programs by \$2 million cumulative over the past two fiscal years.** There will be no RHYA Transitional Living Program (TLP) competition for FY 2006 (nor was this program competed in 2005) due to lack of new funding.

RHYA Projects are Cost Effective Alternatives to Custodial Care and Arrest. The average cost of serving a youth in a transitional living project of \$11,877 is less than half the minimum cost of serving youth through the child welfare or juvenile justice systems, with average annual costs ranging from \$25,000 - \$55,000 per youth. Law enforcement officials are the referral source for 20 percent of youth entering basic centers.

RHYA Projects Use Federal Funds to Leverage Community Resources. RHYA projects succeed due to partnerships created among families, schools, community-based organizations, faith communities, law enforcement agencies, and businesses. Franchise locations across the country for companies such as American Eagle, Chik-Fil-A, Dunkin' Donuts, Exxon Gas, Food Lion, Target, and 7-11 are involved in efforts to connect youth in crisis to RHYA projects and to support these projects through in-kind donations and volunteers. RHYA projects also engage thousands of volunteers from faith congregations and the community-at-large in activities such as mentoring, tutoring, recreational services, meal preparation, and fundraising.

RHYA Projects Raise the Achievement Level of Homeless Youth. The last federally-funded evaluations of the Basic Center Program and the Transitional Living Program found that they produced positive outcomes for participating youth in the following areas:

Family Strengthening

- Basic center youth reported lessened rates of family conflict and parental physical abuse.
- Transitional living youth reported that the program helped them better manage communication and maintain positive relationships with their families.

Education

- School participation among basic center youth doubled after basic center services commenced, compared to the participation rate 30 days prior to accessing a basic center.
- The proportion of youth in transitional living projects attending college was three times that of homeless youth who were not in a TLP.

Employment

- Employment rates of youth in basic centers increased by 24 percent.
- 60 percent of transitional living youth were employed part-time or full-time, compared to 41 percent of homeless youth not participating in a TLP.

Administration's Maternity Group Home Voucher Proposal

Of the \$40 million estimated to be reserved within the RHYA consolidated account for TLP in FY 2007, the Administration is proposing to set-aside \$4 million for vouchers to provide maternity group home services. According to the Administration for Children and Families' Justification of Estimates for Appropriations Committees, "we [ACF] estimate that \$4 million will be available to support approximately 100 vouchers to pregnant and parenting homeless youth. A grant will be competitively awarded to a national organization for the purpose of issuing vouchers. The organization also would be responsible for recruiting and accrediting Maternity Group Home programs nationwide and coordinating with existing grantees to identify those teens seeking these types of specialized services."

The National Network for Youth has vetted this proposal among our membership and received unanimous reaction that the vouchering of TLP funds for homeless young families or any other youth subpopulation will be detrimental to both the young people and the community- and faith-based homeless youth transitional living projects around the nation that support them. Our specific concerns with the Administration's voucher proposal follow.

The RHYA Statute Does Not Authorize Vouchers – Section 321 of the RHYA authorizes the HHS Secretary to make grants to “establish and operate transitional living projects for homeless youth,” **not to make cash assistance or voucher payments directly to youth.** The RHYA statute was reauthorized just three years ago. At that time, Congress was well aware of the Administration's interest in developing maternity group homes, and in response added such facilities as an explicit authorized use of TLP funds. To now propose a new use of TLP funds outside of the authorization flaunts the legislative process.

Vouchers are Likely to Result in Less Access to Supportive Services for Young Families – Decades of history with vouchers as a mechanism for providing housing assistance reveals that they are a more effective housing strategy for people with less intense needs or greater ability to secure support services on their own than they are for people with serious and complex conditions, such as minor parents with dependent children. Tenant-based housing assistance recipients tend to receive services in a disjointed and uncoordinated manner. Project-based housing assistance recipients tend to couple support services to the housing, creating a more seamless array of supports. Applying these lessons to the youth population, **we are concerned that a voucher approach will put the young families at risk of detachment from the very health, educational, and social services they need to ensure proper caretaking of the children and eventual independence for the young parents.**

Distribution of TLP Funds through Vouchers Weaken Providers' Capacity to Deliver High-Quality Programs – Vouchers will preclude faith-based and community-based organizations in many communities with a high need for maternity group homes from developing such services. Providers need advance funding to start and operate their programs, as well as to use as leverage for securing state, local, and private financial matching support, without which the project would not be possible. **Distribution of TLP funds in the form of vouchers directly to youth on a per-capita basis rather than as lump sum grants to providers will weaken any single provider's capacity to amass resources sufficient to develop meaningful maternity group home programs.** They simply will not be able to develop or continue a full service program for pregnant and parenting youth contingent on the mere *hope* that they *may* receive *any* voucher referral.

Multiplicity of Maternity Group Home Providers Would Present a Monitoring Challenge – HHS may not have the capacity to properly monitor the potentially unlimited number of service providers that could receive a voucher placement. Furthermore, will providers be required to invest in a full management information system to report performance outcomes for just one or a few maternity group home voucher holders?

A Reservation of TLP Funds for Maternity Group Home Vouchers Limits Availability of TLP Resources for Communities with Sufficient Maternity Group Home Supply – Some communities report sufficient maternity group home availability to meet needs of homeless young families in their areas. Conversely, they are experiencing shortfalls in transitional living opportunities for other subpopulations of homeless youth. Faith-based and community-based organizations in communities with sufficient maternity group home capacity would be deprived of access to 10 percent (\$4 million) of the total TLP account (\$40 million), if the Administration's set-aside for maternity group home vouchers were to take effect.

This proposed reservation of funds could not come at a worse time given that there has been no new start competition for TLP in either FY 2005 or FY 2006 due to level funding. The pent up demand for a TLP competition is extraordinary and should not be further exacerbated by reserving any amount of the RHYA account for any subpopulation of homeless youth over others.

Proposed Vouchers are Excessively Costly per Participant – The Administration projects an allocation of \$4 million from the TLP account to finance just 100 vouchers – a cost of \$40,000 per young family (including the cost to a single organization for administering the vouchers). **This per participant rate is far in excess of the average cost of care of a TLP participant at approximately \$11,000.** Even by adding a child to the TLP per participant equation, TLP providers are certainly able to serve a young family for far less than \$40,000 per participant.

Youth Already Have Provider Choice – Youth participation in TLPs, including maternity group homes funded through TLP, is completely voluntary. Homeless young families seeking specific services or residential environments that differ from those offered by the provider are welcome to seek out another provider. TLP grantees have and do carry out a legal and ethical obligation to assist young people in identifying other residential services within the community if those they offer directly do not meet a young person's desires.

Federal Funds to be Spent on Maternity Group Home Accreditation would Duplicate Existing Regulatory Efforts – The Administration's proposal indicates that the single organization to distribute maternity group home vouchers will also be given responsibility for accrediting maternity group homes. **Regulation of group residential child and youth facilities, including maternity group homes, is the provenance of state government.** In addition, a number of voluntary accreditation processes are available to residential care providers, including the Council on Accreditation and the Commission on Accreditation of Rehabilitation Facilities.

The Administration's proposal to allocate a share of Runaway and Homeless Youth Act (RHYA) Transitional Living Program (TLP) funds to vouchers for maternity group home services is problematic on several counts, including the very fact that it is not an authorized use of funds. With that in mind, **we urge the Subcommittee to include bill or report language in the FY 2007 Labor-Health and Human Services-Education appropriations measure explicitly prohibiting HHS from implementing the voucher proposal.**

Witness Biography

Anita Friedman, MS, is DC Managing Director for the Latin American Youth Center. In that capacity, Ms. Friedman oversees daily operations of LAYC's \$9 million, 100-employee multicultural youth service center providing direct services to approximately 5,000 youth annually. Ms. Friedman defines strategies, establishes guidelines, and implements policies and procedures in support of programs and operations. She directly supervises Division Directors for Educational Enhancement, Social Services, and Workforce Investment and Social Enterprises, who, in turn, oversee the vast majority of the Center's programs and staff. Ms. Friedman represents LAYC in dialogue and negotiation with Mayor's office, D.C. City Council representatives, local government, funding entities, and non-profit partner organizations.

Ms. Friedman has twenty years of professional experience managing social and economic development programs and operations. Her main expertise is in managing program and administrative operations; project design, implementation, monitoring and evaluation; training design and facilitation; and restructuring organizational systems.

Ms. Friedman holds a Master of Science in Rural Sociology from the University of Wisconsin-Madison and a Bachelor of Arts in Psychology from Vassar College.

Federal Funding

The National Network for Youth has received the following Federal grants in FY 2004-FY 2006.

HHS, Centers for Disease Control and Prevention, Division of Adolescent and School Health. \$2,092,000 cumulative from 1994 through 2004 for the Healthy Youth Futures Project, which provided training and consultation services in order to strengthen the capacity of FCBOs to provide competent HIV services to LGBT youth.

HHS, Centers for Disease Control and Prevention, Division of HIV/AIDS Prevention. \$1,200,000 cumulative from 2001 through 2005 for the Technology Transfer Project, which disseminated *Street Smart*, a research-based HIV prevention intervention for runaway and homeless youth, and provided training and technical assistance to youth-serving FCBOs nationwide.

HHS, Administration for Children and Families, Family and Youth Services Bureau. \$100,000 in FY 2005 for the Minority Executive Leadership Initiative.

HHS, Administration for Children and Families, Family and Youth Services Bureau. \$155,000 cumulative in FY 2004-FY 2006 for Conference Support.